

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 596

BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO COLLEGE AND UNIVERSITY IMPROVEMENTS; AMENDING SECTION 63-301A, IDAHO CODE, TO PROVIDE THAT CERTAIN IMPROVEMENTS ON STATE COLLEGE OR STATE UNIVERSITY LANDS MAY BE INCLUDED ON THE NEW CONSTRUCTION ROLL; AMENDING SECTION 63-602E, IDAHO CODE, TO PROVIDE THAT CERTAIN IMPROVEMENTS ON STATE COLLEGE OR STATE UNIVERSITY OWNED LAND SHALL BE EXEMPT FROM TAXATION; DECLARING AN EMERGENCY AND PROVIDING RETROACTIVE APPLICATION.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 63-301A, Idaho Code, be, and the same is hereby amended to read as follows:

63-301A. NEW CONSTRUCTION ROLL. (1) The county assessor shall prepare a new construction roll, which shall be in addition to the property roll, which new construction roll shall show:

(a) The name of the taxpayer;

(b) The description of the new construction, suitably detailed to meet the requirements of the individual county;

(c) A description of the land and its change in use, suitably detailed to meet the needs of the individual county;

(d) The amount of taxable market value added to the property on the current year's property roll that is directly the result of new construction or a change in use of the land or both;

(e) The amount of taxable market value added as provided in subsection (3)(g) of this section as a result of dissolution of any revenue allocation area.

(2) As soon as possible, but in any event by no later than the first Monday in June, the new construction roll shall be certified to the county auditor and a listing showing the amount of value on the new construction roll in each taxing district or unit be forwarded to the state tax commission on or before the fourth Monday in July. Provided however, the value shown in subsection (3)(f) of this section shall be reported to the appropriate county auditor by the state tax commission by the third Monday in July and the value sent by the county auditor to each taxing district. The value established pursuant to subsection (3)(f) of this section is subject to correction by the state tax commission until the first Monday in September and any such corrections shall be sent to the appropriate county auditor, who shall notify any affected taxing districts.

(3) The value shown on the new construction roll may include the taxable market value increase from:

(a) Construction of any new structure that previously did not exist; or

(b) Additions or alterations to existing nonresidential structures; or

1 (c) Installation of new or used manufactured housing that did not
2 previously exist within the county; or

3 (d) Change of land use classification; or

4 (e) Property newly taxable as a result of loss of the exemption provided
5 by section 63-602W, Idaho Code; or

6 (f) The construction of any improvement or installation of any
7 equipment used for or in conjunction with the generation of electricity
8 and the addition of any improvement or equipment intended to be so used,
9 except property that has a value allocated or apportioned pursuant
10 to section 63-405, Idaho Code, or that is owned by a cooperative or
11 municipality, as those terms are defined in section 61-332A, Idaho
12 Code, or that is owned by a public utility, as that term is defined
13 in section 61-332A, Idaho Code, owning any other property that is
14 allocated or apportioned. No replacement equipment or improvements may
15 be included; or

16 (g) Increases in value over the base value of property on the base
17 assessment roll within an urban renewal revenue allocation area that
18 has been terminated pursuant to section 50-2909(4), Idaho Code, to
19 the extent that this increment exceeds the incremental value as of
20 December 31, 2006, or, for revenue allocation areas formed after
21 December 31, 2006, the entire increment value. Notwithstanding other
22 provisions of this section, the new construction roll shall not include
23 new construction located within an urban renewal district's revenue
24 allocation area, except as provided in this subsection (3)(g); or

25 (h) Formerly exempt improvements on state college or state university
26 owned land for student dining, housing, or other education related
27 purposes approved by the state board of education and board of regents
28 of the university of Idaho as proper for the operation of such state
29 college or university provided however, such improvements were never
30 included on any previous new construction roll.

31 (4) The amount of taxable market value of new construction shall be
32 the change in net taxable market value that is attributable directly to new
33 construction or a change in use of the land or loss of the exemption provided
34 by section 63-602W(3), Idaho Code. It shall not include any change in value
35 of existing property that is due to external market forces such as general
36 or localized inflation, except as provided in subsection (3)(g) of this
37 section.

38 SECTION 2. That Section 63-602E, Idaho Code, be, and the same is hereby
39 amended to read as follows:

40 63-602E. PROPERTY EXEMPT FROM TAXATION -- PROPERTY USED FOR SCHOOL OR
41 EDUCATIONAL PURPOSES. (1) The following property is exempt from taxation:
42 all property used exclusively for nonprofit school or educational purposes,
43 property used for charter school purposes, and all property from which
44 no profit is derived and which is held or used exclusively for endowment,
45 building or maintenance purposes of schools or educational institutions.

46 (2) If property is used primarily for nonprofit school purposes or
47 charter school purposes and for business purposes from which a revenue is
48 derived, which revenue is not related to the educational purpose for which
49 the nonprofit school or charter school exists, the assessor shall determine

1 the value of the entire property, of the part used for nonprofit school
2 purposes or charter school purposes, and of the part used for such unrelated
3 business purposes. The portion of the building used for nonprofit school
4 purposes or charter school purposes and for business and administration of
5 the nonprofit school or charter school shall be exempt from taxation.

6 (3) Possessory interests in improvements on state college or state
7 university owned land for student dining, housing or other education related
8 purposes approved by the state board of education and board of regents of
9 the university of Idaho as proper for the operation of such state college or
10 university shall be exempt from taxation.

11 SECTION 3. An emergency existing therefor, which emergency is hereby
12 declared to exist, this act shall be in full force and effect on and after its
13 passage and approval, and retroactively to January 1, 2010.